

House Watch

A summary of today's House actions;
published daily when the House is in session.



12/01/07

MESSAGES FROM THE SENATE

HB 5408

Coulouris

The bill would amend the Michigan Business Tax (MBT) Act to do the following:

- Impose an annual surcharge on taxpayers equal to a percentage of their MBT liability.
- Repeal Section 3d of the Use Tax Act (which extends the use tax to certain services) immediately after it takes effect on December 1, 2007.
- Increase the amount of MBT revenue earmarked to the School Aid Fund for fiscal years 2007-08 and 2008-09 (as described in FISCAL IMPACT).
- Increase the amount of total MBT revenue that will trigger refunds to taxpayers and deposits into the Budget Stabilization Fund; and provide for a taxpayer's refund to be based on the amount of its surcharge in proportion to the surcharge imposed on all MBT payers.
- Extend to financial institutions a credit equal to 0.37% of compensation in the State.
- Increase the amount of a credit available to certain eligible taxpayers (meeting criteria regarding retail and warehouse space, and the sale of specified retail products).

The bill would take effect on January 1, 2008 (the effective date of the MBT Act), and would apply to all business activity occurring after December 31, 2007.

- Senate Substitute S-8 to the House Substitute H-6 to the Senate Substitute S-4 was concurred in [RC 541: 66 yes, 42 no, 2 excused]

FINAL PASSAGE

[SB 845](#)

Brown

The bill would delay the effective date of the new state tax on selected services until December 20, 2007. Currently it is due to take effect December 1, 2007. However, the bill is tie-barred to Senate Bill 838, which would repeal the section of the Use Tax Act that creates the new tax on services. The tie-bar means that Senate Bill 845 could not take effect unless Senate Bill 838 is also enacted.

- House Substitute H-2 was not adopted
- House Substitute H-3 was adopted
- SB 845 advanced to the order of 3rd Reading
- SB 845 was passed [RC 540: 106 yes, 0 no, 4 excused]
- IE was granted [no RC]